

SUMMARY OF 2020
ICC RAILROAD SUPPLIER DIVERSITY REPORTS

Norfolk Southern Railroad Company



SUPPLIERS

YEAR	\$ TOTAL DIVERSE SPEND and (+/-) % CHANGE FROM PREVIOUS YEAR	MBE	WBE	VBE	Small Business*
2020	\$166,017,450.05	\$21,588,118.79	\$128,443,354.38	\$ 472,172.38	\$14,194,849.62
2019	\$124,215,437.04	\$22,352,571.08	\$ 90,973,155.91	\$1,538,381.10	\$ 9,327,873.40

	HUBZone	SDB/8A	
2020	0	\$1,318,954.88	34%
2019	0	\$ 23,455.55	-35%

* How many of the small businesses are certified? *All suppliers are certified. Note, we except all local/regional certifications (including but not limited to local Chamber of Commerce, NMSDC, etc.) Low to no cost solutions for certification of diverse vendors is a priorit for NS.*

YEAR	# OF DIVERSE SUPPLIERS	MBE	WBE	VBE	Small Business*
2020	224	43	119	2	54
2019	253	49	134	2	65

	HUBZone	SDB/8A	
2020	0	6	-11%
2019	0	3	- 3%

* How many, out of all diverse suppliers, are headquartered in Illinois?

YEAR	# of NEWLY CONTRACTED DIVERSE SUPPLIERS	% CHANGE OVER PRIOR YEAR	SPEND	% CHANGE OVER PRIOR YEAR	# HEADQUARTERED Outside of ILLINOIS	# HEADQUARTERED IN ILLINOIS
2020	16	-11%	\$9,658,911.73	1231%	14	2
2019	18	-44%	\$ 725,905.23	45%	18	0

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PROFESSIONAL SERVICES

YEAR	\$ TOTAL DIVERSE SPEND and (+/-) % CHANGE FROM PREVIOUS YEAR	MBE	WBE	VBE	Small Business*
2020	\$126,231,062.26	\$14,580,078.54	\$100,442,498.46	\$338,657.94	\$10,475,077.32
2019	\$ 82,114,873.97	\$12,185,072.32	\$ 64,658,920.07	\$391,450.27	\$ 4,879,431.31

	HUBZone	SDB/8A	
2020	0	\$394,750.00	54%
2019	0	0	-39%

- * How many of the small businesses are certified?
- * How many, out of all diverse vendors/companies, are headquartered in Illinois?

Spend Areas (Industry):

Supplier Diversity Spend is tracked at the prime contractor level.

We do not track spend by state because (1) many of our agreements are at a national level to ensure consistency in safety, quality, most competitive pricing, etc., (2) suppliers can be headquartered in a different state than where the services are provided, and (3) suppliers can be paid at an address other than their headquarters or the state the work was completed.

Prime Diverse Spend – Payments to a diverse-owned supplier that provides material and services directly to NS.

The range of materials and services purchased from diverse-owned suppliers include, but are not limited to: construction services, information technology services, office supplies provider, intermodal operational services, office remodeling services, furniture and office furnishings, track maintenance services, freight shipping services, locomotive material supplier, staff augmentation, tie pick up and disposal services, oil distribution, engineering design services, advertising services, track grinding services and records scanning services.

SUPPLIERS & PROFESSIONAL SERVICES

2020 Highlights	• •
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Norfolk Southern Railroad

Large Capital Projects	<ul style="list-style-type: none"> • • •
Supplier Diversity Goals	<ul style="list-style-type: none"> • Continue to actively participate in future Illinois Supplier Diversity Activities
Professional Services Goals	<ul style="list-style-type: none"> • • •
Unique Initiatives – 2020 & 2021	<ul style="list-style-type: none"> • In May 2019, NS advertised a request for qualifications for a Lead Engineering Team. The scope of work included Program Management and Track Design for NS's part of CREATE Project EW2. This project is an important part of long-term plans to reduce train delays and address passenger and freight congestion on converging railroad lines in Chicago. • A 25% DBE participation goal was established for the Lead Engineering Team. To encourage interested DBE firms to participate in the formation of prospective teams, NS hosted a public meeting and networking session. The team that was selected in August 2019 included eight DBE firms. The structure of the team includes a mentor-protégé program for three of the DBE firms that will perform design work for this project. • Additional opportunities for DBE participation in the design of this project will become available in the near future as bridge design work is advertised.
2021: Areas of Procurement Plans	<ul style="list-style-type: none"> • • •

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Terms & Definitions:

Small Business – an independently owned and operated company that is limited in size and in revenue depending on the industry. Certified via, city, county, state, third party.

Minority Owned Business (MBE) – it is at least 51% owned by such individuals or, in the case of a publicly-owned business, at least 51% of the stock is owned by one or more such individuals i.e. the management and daily operations are controlled by those minority group members.

Women Owned Business (WBE) - is at least 51% owned, operated and controlled on a daily basis, and long-term decisions are made by one or more female American citizens. WBEs are typically certified by a third-party, city, state or federal agency.

Veteran Owned Business (VBE) – generally non-industry specific, but requires that the company is at least 51% owned, operated, and controlled by a veteran.

SBD/8A – Small Disadvantaged Business (SDB) that is at least 51% owned by one or more individuals who are socially and economically disadvantaged individuals who are U.S. citizens.

HUBZone – Small Business Administration (SBA) program for small companies that operate and employ people in Historically Under-utilized Business Zones; at least 51% controlled by U.S. citizens